

Expression of Interest  
Third and Federal Street, Camden New Jersey

**1. Seller** Camden Urban Renewal Limited Partnership, a wholly owned subsidiary of the New Jersey Economic Development Authority ("NJEDA")  
36 West State Street  
P.O. Box 990  
Trenton, New Jersey

**2. Buyer** Cooper's Ferry Partnership  
2 Riverside Drive  
Suite 501  
Camden, New Jersey 08103

**3. Property Description** The Property consists of the fee simple interest in the land subject to the existing lease agreement with L-3 Communications (the "Existing Lease") and improvements and Seller's interest in personal property located at Third and Federal Streets, City and County of Camden, New Jersey, more particularly described in Exhibit "A" attached hereto and made a part hereof. The improvements are comprised of a 225,000+/- square foot manufacturing building, a 350,000+/-engineering and administration building, surface parking and other improvements.

Upon Buyer's completion of due diligence and Buyer's restoration of the Property, which will be governed by Section 5, the Seller will convey the Property "AS IS." This clause of the Agreement of Sale will survive the closing.

**4. Purchase Price** All cash in an amount equal to the greater of:  
(a)ninety percent (90%) of the appraised fair market value of the Property; (b) the amount necessary to pay or defease the outstanding debt secured by the Property plus any early termination amounts due under the interest rate risk management transaction in effect with respect thereto; or (c) the total amount of EDA's cash investment to pay or defease the outstanding debt secured by the Property plus any early termination amounts due under the interest rate risk management transaction in effect with respect thereto and to enter into new leases. The Purchase Price, subject to customary adjustments and prorations, is payable by wire transfer of funds to Seller's designated account on the day of the Closing of the purchase and sale of the Property.

The Purchase Price is subject to New Jersey Casino Reinvestment Development Authority and New Jersey Redevelopment Authority's approval, and the release of any

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subordinate lien(s) on the Property.

- 5. Buyer's Deposit** At the time of execution of the Agreement of Sale, Buyer shall deposit \$100,000 with the Seller. Buyer and Seller shall develop terms in the Agreement of Sale regarding the timelines and contingencies associated with the refund of this deposit.
- 6. Evidence of Financing** Within ninety (90) days of executing an Agreement of Sale, Buyer shall provide Seller with evidence that the Buyer has available financing to purchase the Property.
- 7. Closing** The Closing will occur on or before December 31, 2013.
- 8. General Terms and Conditions** Except as expressly provided herein, nothing in this letter of interest should be construed as a binding offer or other obligation on Buyer's or Seller's part. Except as expressly provided herein, neither Buyer nor Seller shall have any obligation with respect to the matters set forth in this letter of interest until such time as Buyer and Seller have entered into a definitive written purchase and sale agreement (herein, the "Agreement of Sale" or "Agreement") with terms acceptable to both Buyer and Seller in the sole and absolute discretion of each. Execution and delivery of an Agreement of Sale by Seller shall require approval of terms by NJEDA's Board of Members. Execution and delivery of an Agreement of Sale by Buyer shall require approval of terms by Buyers' Board of Directors.
- 9. Due Diligence Period** The Due Diligence Period shall begin upon execution of this Expression of Interest and Right of Entry Agreement, and the existing tenant granting approval to access the Property. The due diligence period will end 120 days following the execution by both parties of an Agreement of Sale. At Buyer's own cost and expense, during this period, Buyer and its representatives and consultants shall be given complete access to the Property (subject to the rights of the existing tenants under lease) and shall have the right to conduct such due diligence activities, inspections and studies of the Property as it deems appropriate, including by way of illustration, a review of the physical condition and use, the availability and adequacy of utility services and drainage facilities, access, zoning, compliance with applicable laws, environmental, historical and archeological conditions, engineering, structural and systems matters, survey matters, title and any other matter Buyer deems appropriate for the purpose of confirming the condition of the Property and Buyer's intended use thereof. Buyer's due diligence examination may also include programmatic feasibility, financial analysis and financing alternatives. Buyer may obtain at its expense a

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Phase I environmental assessment of the Property, provided if such assessment calls for any follow up sampling or remediation, Buyer shall have the right to perform intrusive examinations of the Property in order to complete such assessment. Buyer shall restore the Property to the same condition as prior to its entry. Prior to any entry, Buyer shall provide evidence of liability insurance coverage. Buyer shall defend and hold Seller and Tenant harmless from any losses or damages arising out of Buyer's due diligence or entry upon the Property. The foregoing indemnity does not apply to liabilities that may arise from the findings of Buyer's due diligence. Buyer's indemnity shall expire as of the date of Closing except for written notices of claims received by Buyer from Seller prior to such date. If prior to the expiration of the Due Diligence Period, Buyer determines that it does not intend to proceed with the purchase of the Property, Buyer may so notify Seller whereupon the Agreement of Sale shall terminate.

**10. Leasing Contingency** Until the end of the Due Diligence Period Seller may continue to market and enter into new leases at the Property for prospective tenants, or modify, cancel, or amend an existing lease. Seller will provide Buyer with copies of the executed letters of interest to lease and/or copies of executed new leases for the Property. Buyer may cancel the Agreement of Sale if Buyer does not find acceptable the terms of the letters of interest to lease and/or new leases. Buyer will not have the right to solicit, negotiate and/or enter into new leases or enter into renewals, and/or modifications of existing leases for the Property.

**11. Evaluation Materials** As soon as practicable following execution of this letter, Seller shall deliver to Buyer full and complete access to Seller's records relating to the Property except for confidential information regarding the tenant under the Existing Lease (herein, the "Evaluation Material"), which records shall include, without limitation, the financial information, third party reports, property information, insurance and tenant information listed in the Due Diligence Information List attached hereto as Exhibit "B" together with any governmental communications and violation notices.

Seller advises Buyer that to comply with Buyer's request for Evaluation Material, Seller will need to obtain documents from the existing Tenant, L-3 Communications.

**12. Confidentiality** Except for existing and prospective Tenants, the Seller will work to maintain confidentiality of the terms of this Letter; however, the

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Seller is subject to the provisions of the New Jersey Open Public Meetings Act and the New Jersey Open Public Records Act and is bound by the requirements of both and relevant case law.

**13. Access to Property**

Upon receipt of approval from the existing Tenant and execution of a Right of Entry Agreement, Buyer shall have reasonable access to the Property after execution of this letter, pursuant to the terms hereof.

**14. No Brokerage**

Buyer represents and warrants to Seller that Buyer has not entered into any agreement with any real estate broker, agent, or other party in connection with this transaction, and hereby indemnifies and agrees to defend and hold Seller harmless from any loss, liability, damages or expense (including without limitation attorney's fees) resulting to Seller by reason of a breach of this representation, or resulting from a claim by any broker, agent, or other party. Seller shall be responsible for all other brokers or finders for any commission alleged to be due in connection with this sale, except to the extent Buyer's representation set forth above shall have been breached. This provision shall survive termination of this letter.

**15. Closing Costs and Prorations**

Each party is responsible for paying the legal fees and related costs of its counsel in negotiating, preparing, and closing the transaction contemplated by the Agreement. Buyer shall pay all costs incurred in performing Buyer's diligence as well as the cost of any title insurance premium (including premium for any endorsements), the cost of any surveyor update or revision to the survey, and the title company's closing charges. Seller shall be responsible for and shall pay any roll back taxes and the New Jersey realty transfer fee. Seller shall pay all costs incident to clearing title to the Property to the extent Seller elects to clear title. Buyer shall pay for recording of the deed and of any mortgage. Taxes or payments in lieu thereof, water and sewer charges and current rent and assumed service contracts shall be apportioned as of the date of Closing.

The closing is subject to the New Jersey Casino Reinvestment Development Authority and New Jersey Redevelopment Authority's approval and the release of any subordinate liens on the property.

**16. Agreement of Sale**

Promptly following the execution of this letter, Seller and Buyer shall endeavor to negotiate in good faith an Agreement of Sale prepared by Buyer's counsel incorporating the terms of this letter. The Agreement will also contain terms, covenants, conditions, representations and warranties normal and

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customary for transactions of this type covering matters including, but not limited to, title, possession, leases, personal property, condition of the property, environmental matters, compliance with applicable law, availability of utilities, compliance with zoning and other matters. The Agreement shall cover, without limitation, the following items:


- (a) Title. Buyer shall not be required to complete title closing unless title to the Property is good and marketable title of record, free and clear of all liens, claims and encumbrances and subject only to such survey exceptions, rights, easements and restrictions as shall be reviewed and approved by Buyer during the Due Diligence Period.
- (b) Possession; Leases. Possession of the Property will be delivered to Buyer subject to the Existing Lease and any other existing tenancies approved by Buyer prior to the Closing date under the Agreement, which tenants shall each deliver estoppel certificates effective no sooner than thirty (30) days prior to Closing.
- (c) Governmental Requirements. At Closing, Seller shall deliver a current Certificate of Occupancy and any other governmental approval necessary to lawfully convey the Property to Buyer. The Property shall be free of any violations or unfulfilled conditions of any prior or pending subdivision or site plan applications for the Property. As a condition to Closing, Buyer shall have received any necessary governmental consents and approvals relative to this transaction.
- (d) Compliance with Laws. Buyer will have to comply with certain laws, regulations, and executive orders as a condition of purchase (e.g., Business Registration with Treasury).

The Buyer and Seller will have until ~~July 31, 2013~~ <sup>August 30, 2013</sup> to execute the Agreement of Sale.

- 17. Right of Assignment** Subject to the approval of the Tenant(s) and Public Law 2005, c. 51 (pay to play) restrictions, Buyer shall have the right to assign the Agreement to an affiliate (i.e., an entity owned or controlled, directly or indirectly, by Buyer) prior to Closing.
- 18. No Sale** Seller acknowledges and agrees that Buyer will expend substantial sums of money for its due diligence activities and in connection with preparation of the Agreement for the Property.

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Accordingly, in consideration of the foregoing, Seller agrees that it (i) will negotiate in good faith with Buyer, and (ii) will not sell or offer to sell the Property or discuss selling the Property to anyone other than the Buyer.

  
June 14,

**19. Seller's Response**

The Parties must execute and return this document by ~~May 31~~, 2013.

**20. Counterparts,  
Facsimile Signature**

This letter may be executed in counterparts, each of which will be deemed to be an original copy hereof and all of which when taken together will be deemed to constitute one and the same instrument. This letter may be executed and delivered by facsimile or electronically and upon such delivery the facsimile or electronic signature shall be deemed to have the same effect as if the original signature had been delivered to the other party.

**21. Other**

This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties. The parties agree that this proposal is not intended to create any agreement or obligation by either party to negotiate a definitive lease agreement of sale and imposes no duty whatsoever on either party to continue negotiations. Prior to delivery of a definitive executed agreement of sale, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties and/or (3) unilaterally terminate all negotiations with the other party hereto.

This Expression of Interest shall be governed by the laws of the State of New Jersey.

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Accepted and agreed on ~~May~~ <sup>June</sup> 12, 2013:

Cooper's Ferry Partnership

  
\_\_\_\_\_  
David D. Foster  
President

New Jersey Economic Development Authority

  
\_\_\_\_\_  
Timothy Lizura  
Chief Operating Officer and President